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E.O. 12958: DECL: 09/14/2016
TAGS: [PREL](#) [ECON](#) [ETRD](#) [UY](#)
SUBJECT: VAZQUEZ ASKS FOR TRADE AGREEMENT WITH U.S.

REF: MONTEVIDEO 828 AND PREVIOUS

Classified By: Charge d'Affaires James D. Nealon
for reasons 1.4 (b) and (d).

¶1. (C) At noon today I was called by President Vazquez. He had two messages. First, he was very pleased that the U.S. Senate had ratified the Bilateral Investment Treaty, saying that "it gave him great satisfaction." Second, he told me he had met this morning with his "trade cabinet" of six ministers involved in trade talks with the United States. President Vazquez said that "we decided to move forward and initiate talks with the United States leading to a trade agreement. I will send my Chief of Staff, Gonzalo Fernandez, to Washington to meet with Susan Schwab. I believe that by October 2 (the date of the JCTI meeting in Montevideo) we will have a concrete proposal ready."

¶2. (C) Following the Vazquez call, I was called by Minister of Industry Lepra, whom Vazquez often uses as his de facto Foreign Minister on matters relating to the United States. Lepra suggested that we get together today to make sure that everything was clear. In our meeting, Lepra told me that Vazquez had the solid support of all of the ministers in his "trade cabinet", except for Foreign Minister Gargano. He confirmed that the President had informed his ministers he was sending Fernandez next week to request a trade agreement encompassing over 90 percent of goods. The President wants an FTA, Lepra said, but he wants it tailor-made for Uruguay, so that he can sell it politically. It is important that the agreement be viewed from a political angle from both sides, he added.
Nealon